



Floresville Independent School District

Technology Department

Melissa Ramos Technology Director
908 10th Street

AC 830-393-5300

John Holcombe Network Administrator

Fax 830-393-5399

James Urbanczyk System Administrator
Floresville, Texas 78114

Date: March 17, 2008

Marlene H. Dortch, Secretary
Federal Communications Commission
Office of the Secretary
9300 East Hampton Drive
Capitol Heights, MD 20743

Received & Inspected

MAR 20 2008

FCC Mail Room

CC: 02-6

Dear FCC:

This letter is in reference to CC Docket No. 02-6 and CC Docket No. 96-45. We are appealing the USAC decision to reduce our discount percentage based on the Urban / Rural status of the Floresville High School, as mentioned on a funding commitment decision letter for Funding Year 2007.

We have appealed to USAC and were denied. Therefore, we are requesting that you review our appeal to USAC and their response. If USAC responded appropriately, we are requesting that you consider a waiver for the urban / rural status for Floresville ISD and allow Floresville High School and all of Floresville schools (FCC Registration Number 0007371867) to retain rural status.

Several other school districts inside of Wilson County, such as Poth ISD, La Vernia ISD, and Stockdale ISD, are also affected by the USAC classification of Wilson County as Urban. We respectfully request that you consider re-classifying Wilson County as Rural so other school districts in Wilson County (in addition to Floresville ISD) can apply for e-Rate funding with Rural discount percentages.

- Appellant name: Floresville Independent School District
- Appellant FCC Registration Number: 0007371867
- Applicant BEN: 141508
- Service Provider SPIN: 143024939
- Form 471 Application Number: 584274 (FY 7/1/07 – 6/30/08)
- Funding Request Numbers: 1620018, 1620143, 1620217, 1620367, 1620441, 1620503, 1620554, 1620641, 1620759, 1620842, 1620885, 1620933, 1620978, 1621075, 1621096, 1621468

Enclosed are the Funding Commitment Decision Letter we received from USAC, our appeal to USAC, and their response. We have also included a CD with digital versions of these documents.

Your consideration is greatly appreciated. Thank you for considering our request.

Sincerely,

John Holcombe
Network Administrator
Floresville Independent School District

Enclosures: 4



FUNDING COMMITMENT DECISION LETTER
(Funding Year 2007: 07/01/2007 - 06/30/2008)

January 16, 2008

John Holcombe
FLORESVILLE INDEP SCHOOL DIST
908 10TH ST
FLORESVILLE, TX 78114-1852

Re: Form 471 Application Number: 584274
Billed Entity Number (BEN): 141508
Billed Entity FCC RN: 0007371867
Applicant's Form Identifier: YR10 P2SVC

Thank you for your Funding Year 2007 application for Universal Service Support and for any assistance you provided throughout our review. The current status of the funding request(s) in the Form 471 application cited above and featured in the Funding Commitment Report(s) (Report) at the end of this letter is as follows.

- The amount, \$2,293,382.07 is "Denied."

Please refer to the Report on the page following this letter for specific funding request decisions and explanations. The Universal Service Administrative Company (USAC) is also sending this information to your service provider(s) so preparations can begin for implementing your approved discount(s) after you file FCC Form 486, Receipt of Service Confirmation Form. A guide that provides a definition for each line of the Report is available in the Reference Area of our website.

NEXT STEPS

- Work with your service provider to determine if you will receive discounted bills or if you will request reimbursement from USAC after paying your bills in full
- Review technology planning approval requirements
- Review CIPA requirements
- File Form 486
- Invoice USAC using the Form 474 (service provider) or Form 472 (Billed Entity) - as products and services are being delivered and billed

TO APPEAL THIS DECISION:

If you wish to appeal a decision in this letter, your appeal must be received by USAC or postmarked within 60 days of the date of this letter. Failure to meet this requirement will result in automatic dismissal of your appeal. In your letter of appeal:

1. Include the name, address, telephone number, fax number, and (if available) email address for the person who can most readily discuss this appeal with us.
2. State outright that your letter is an appeal. Include the following to identify the letter and the decision you are appealing:
 - Appellant name,
 - Applicant name and service provider name, if different from appellant,
 - Applicant BEN and Service Provider Identification Number (SPIN),
 - Form 471 Application Number 584274 as assigned by USAC,
 - "Funding Commitment Decision Letter for Funding Year 2007," AND
 - The exact text or the decision that you are appealing.
3. Please keep your letter to the point, and provide documentation to support your appeal. Be sure to keep a copy of your entire appeal, including any correspondence

FUNDING COMMITMENT REPORT
Billed Entity Name: FLORESVILLE INDEP SCHOOL DIST
BEN: 141508
Funding Year: 2007

Comment on RAL corrections: The applicant did not submit any RAL corrections.

Form 471 Application Number: 584274
Funding Request Number: 1620018
Funding Status: Not Funded
Category of Service: Internal Connections
Form 470 Application Number: 107750000617177
SPIN: 143024939
Service Provider Name: Larry M. McIntyre, Jr. dba McIntyre Consulting Ser
Contract Number: 8303935300-2007
Billing Account Number: 8303935300
Multiple Billing Account Numbers: N
Service Start Date: 07/01/2007
Service End Date: N/A
Contract Award Date: 02/07/2007
Contract Expiration Date: 06/30/2008
Shared Worksheet Number: 917885
Number of Months Recurring Service Provided in Funding Year: 12
Annual Pre-discount Amount for Eligible Recurring Charges: \$.00
Annual Pre-discount Amount for Eligible Non-recurring Charges: \$1,639,340.00
Pre-discount Amount: \$1,639,340.00
Discount Percentage Approved by the USAC: 74%
Funding Commitment Decision: \$0.00 - Srvc/Discnt will NOT be funded
Funding Commitment Decision Explanation: MR1: The shared discount was reduced to a level that could be validated by third party data. <><><><><> DR1: Given Program demand, the funding cap will not provide for Internal Connections and/or Basic Maintenance of Internal Connections at your approved discount level to be funded. Please see <http://www.universalservice.org/sl/> for further details.
FCDL Date: 01/16/2008
Wave Number: 034
Last Allowable Date for Delivery and Installation for Non-Recurring Services: 09/30/2008

FUNDING COMMITMENT REPORT
Billed Entity Name: FLORESVILLE INDEP SCHOOL DIST
BEN: 141508
Funding Year: 2007

Comment on RAL corrections: The applicant did not submit any RAL corrections.

Form 471 Application Number: 584274
Funding Request Number: 1620217
Funding Status: Not Funded
Category of Service: Internal Connections
Form 470 Application Number: 107750000617177
SPIN: 143024939
Service Provider Name: Larry M. McIntyre, Jr. dba McIntyre Consulting Ser
Contract Number: 8303935300-2007
Billing Account Number: 8303935300
Multiple Billing Account Numbers: N
Service Start Date: 07/01/2007
Service End Date: N/A
Contract Award Date: 02/07/2007
Contract Expiration Date: 06/30/2008
Shared Worksheet Number: 917885
Number of Months Recurring Service Provided in Funding Year: 12
Annual Pre-discount Amount for Eligible Recurring Charges: \$.00
Annual Pre-discount Amount for Eligible Non-recurring Charges: \$189,032.00
Pre-discount Amount: \$189,032.00
Discount Percentage Approved by the USAC: 74%
Funding Commitment Decision: \$0.00 - Srvc/Discnt will NOT be funded
Funding Commitment Decision Explanation: MR1: The shared discount was reduced to a level that could be validated by third party data. <><><><><> DR1: Given Program demand, the funding cap will not provide for Internal Connections and/or Basic Maintenance of Internal Connections at your approved discount level to be funded. Please see <http://www.universalservice.org/sl/> for further details.

FCDL Date: 01/16/2008

Wave Number: 034

Last Allowable Date for Delivery and Installation for Non-Recurring Services: 09/30/2008

FUNDING COMMITMENT REPORT
Billed Entity Name: FLORESVILLE INDEP SCHOOL DIST
BEN: 141508
Funding Year: 2007

Comment on RAL corrections: The applicant did not submit any RAL corrections.

Form 471 Application Number: 584274
Funding Request Number: 1620441
Funding Status: Not Funded
Category of Service: Internal Connections
Form 470 Application Number: 107750000617177
SPIN: 143024939
Service Provider Name: Larry M. McIntyre, Jr. dba McIntyre Consulting Ser
Contract Number: 8303935300-2007
Billing Account Number: 8303935300
Multiple Billing Account Numbers: N
Service Start Date: 07/01/2007
Service End Date: N/A
Contract Award Date: 02/07/2007
Contract Expiration Date: 06/30/2008
Shared Worksheet Number: 917885
Number of Months Recurring Service Provided in Funding Year: 12
Annual Pre-discount Amount for Eligible Recurring Charges: \$.00
Annual Pre-discount Amount for Eligible Non-recurring Charges: \$130,400.00
Pre-discount Amount: \$130,400.00
Discount Percentage Approved by the USAC: 74%
Funding Commitment Decision: \$0.00 - Srvc/Discnt will NOT be funded
Funding Commitment Decision Explanation: MR1: The shared discount was reduced to a level that could be validated by third party data. <><><><><> DR1: Given Program demand, the funding cap will not provide for Internal Connections and/or Basic Maintenance of Internal Connections at your approved discount level to be funded. Please see <http://www.universalservice.org/sl/> for further details.
FCDL Date: 01/16/2008
Wave Number: 034
Last Allowable Date for Delivery and Installation for Non-Recurring Services: 09/30/2008

FUNDING COMMITMENT REPORT
Billed Entity Name: FLORESVILLE INDEP SCHOOL DIST
BEN: 141508
Funding Year: 2007

Comment on RAL corrections: The applicant did not submit any RAL corrections.

Form 471 Application Number: 584274
Funding Request Number: 1620554
Funding Status: Not Funded
Category of Service: Internal Connections
Form 470 Application Number: 107750000617177
SPIN: 143024939
Service Provider Name: Larry M. McIntyre, Jr. dba McIntyre Consulting Ser
Contract Number: 8303935300-2007
Billing Account Number: 8303935300
Multiple Billing Account Numbers: N
Service Start Date: 07/01/2007
Service End Date: N/A
Contract Award Date: 02/07/2007
Contract Expiration Date: 06/30/2008
Shared Worksheet Number: 917885
Number of Months Recurring Service Provided in Funding Year: 12
Annual Pre-discount Amount for Eligible Recurring Charges: \$.00
Annual Pre-discount Amount for Eligible Non-recurring Charges: \$156,350.00
Pre-discount Amount: \$156,350.00
Discount Percentage Approved by the USAC: 74%
Funding Commitment Decision: \$0.00 - Srvc/Discnt will NOT be funded
Funding Commitment Decision Explanation: MR1: The shared discount was reduced to a level that could be validated by third party data. <><><><><> DR1: Given Program demand, the funding cap will not provide for Internal Connections and/or Basic Maintenance of Internal Connections at your approved discount level to be funded. Please see <http://www.universalservice.org/sl/> for further details.

ECDL Date: 01/16/2008
Wave Number: 034
Last Allowable Date for Delivery and Installation for Non-Recurring Services: 09/30/2008

FUNDING COMMITMENT REPORT
Billed Entity Name: FLORESVILLE INDEP SCHOOL DIST
BEN: 141508
Funding Year: 2007

Comment on RAL corrections: The applicant did not submit any RAL corrections.

Form 471 Application Number: 584274
Funding Request Number: 1620759
Funding Status: Not Funded
Category of Service: Internal Connections
Form 470 Application Number: 107750000617177
SPIN: 143024939
Service Provider Name: Larry M. McIntyre, Jr. dba McIntyre Consulting Ser
Contract Number: 8303935300-2007
Billing Account Number: 8303935300
Multiple Billing Account Numbers: N
Service Start Date: 07/01/2007
Service End Date: N/A
Contract Award Date: 02/07/2007
Contract Expiration Date: 06/30/2008
Shared Worksheet Number: 917885
Number of Months Recurring Service Provided in Funding Year: 12
Annual Pre-discount Amount for Eligible Recurring Charges: \$.00
Annual Pre-discount Amount for Eligible Non-recurring Charges: \$169,800.00
Pre-discount Amount: \$169,800.00
Discount Percentage Approved by the USAC: 74%
Funding Commitment Decision: \$0.00 - Srvc/Discnt will NOT be funded
Funding Commitment Decision Explanation: MR1: The shared discount was reduced to a level that could be validated by third party data. <><><><><> DR1: Given Program demand, the funding cap will not provide for Internal Connections and/or Basic Maintenance of Internal Connections at your approved discount level to be funded. Please see <http://www.universalservice.org/sl/> for further details.

FCDL Date: 01/16/2008
Wave Number: 034
Last Allowable Date for Delivery and Installation for Non-Recurring Services: 09/30/2008

FUNDING COMMITMENT REPORT
Billed Entity Name: FLORESVILLE INDEP SCHOOL DIST
BEN: 141508
Funding Year: 2007

Comment on RAL corrections: The applicant did not submit any RAL corrections.

Form 471 Application Number: 584274
Funding Request Number: 1620885
Funding Status: Not Funded
Category of Service: Internal Connections
Form 470 Application Number: 107750000617177
SPIN: 143024939
Service Provider Name: Larry M. McIntyre, Jr. dba McIntyre Consulting Ser
Contract Number: 8303935300-2007
Billing Account Number: 8303935300
Multiple Billing Account Numbers: N
Service Start Date: 07/01/2007
Service End Date: N/A
Contract Award Date: 02/07/2007
Contract Expiration Date: 06/30/2008
Shared Worksheet Number: 917885
Number of Months Recurring Service Provided in Funding Year: 12
Annual Pre-discount Amount for Eligible Recurring Charges: \$.00
Annual Pre-discount Amount for Eligible Non-recurring Charges: \$1,690.00
Pre-discount Amount: \$1,690.00
Discount Percentage Approved by the USAC: 74%
Funding Commitment Decision: \$0.00 - Srvc/Discnt will NOT be funded
Funding Commitment Decision Explanation: MR1: The shared discount was reduced to a level that could be validated by third party data. <><><><><> DR1: Given Program demand, the funding cap will not provide for Internal Connections and/or Basic Maintenance of Internal Connections at your approved discount level to be funded. Please see <http://www.universalservice.org/sl/> for further details.

FCDL Date: 01/16/2008

Wave Number: 034

Last Allowable Date for Delivery and Installation for Non-Recurring Services: 09/30/2008

FUNDING COMMITMENT REPORT
Billed Entity Name: FLORESVILLE INDEP SCHOOL DIST
BEN: 141508
Funding Year: 2007

Comment on RAL corrections: The applicant did not submit any RAL corrections.

Form 471 Application Number: 584274
Funding Request Number: 1620978
Funding Status: Not Funded
Category of Service: Internal Connections
Form 470 Application Number: 107750000617177
SPIN: 143024939
Service Provider Name: Larry M. McIntyre, Jr. dba McIntyre Consulting Ser
Contract Number: 8303935300-2007
Billing Account Number: 8303935300
Multiple Billing Account Numbers: N
Service Start Date: 07/01/2007
Service End Date: N/A
Contract Award Date: 02/07/2007
Contract Expiration Date: 06/30/2008
Shared Worksheet Number: 917885
Number of Months Recurring Service Provided in Funding Year: 12
Annual Pre-discount Amount for Eligible Recurring Charges: \$.00
Annual Pre-discount Amount for Eligible Non-recurring Charges: \$105,300.00
Pre-discount Amount: \$105,300.00
Discount Percentage Approved by the USAC: 74%
Funding Commitment Decision: \$0.00 - Srvc/Discnt will NOT be funded
Funding Commitment Decision Explanation: MR1: The shared discount was reduced to a level that could be validated by third party data. <><><><><> DR1: Given Program demand, the funding cap will not provide for Internal Connections and/or Basic Maintenance of Internal Connections at your approved discount level to be funded. Please see <http://www.universalservice.org/sl/> for further details.
FCDL Date: 01/16/2008
Wave Number: 034
Last Allowable Date for Delivery and Installation for Non-Recurring Services: 09/30/2008

FUNDING COMMITMENT REPORT
Billed Entity Name: FLORESVILLE INDEP SCHOOL DIST
BEN: 141508
Funding Year: 2007

Comment on RAL corrections: The applicant did not submit any RAL corrections.

Form 471 Application Number: 584274
Funding Request Number: 1621096
Funding Status: Not Funded
Category of Service: Internal Connections
Form 470 Application Number: 107750000617177
SPIN: 143024939
Service Provider Name: Larry M. McIntyre, Jr. dba McIntyre Consulting Ser
Contract Number: 8303935300-2007
Billing Account Number: 8303935300
Multiple Billing Account Numbers: N
Service Start Date: 07/01/2007
Service End Date: N/A
Contract Award Date: 02/07/2007
Contract Expiration Date: 06/30/2008
Shared Worksheet Number: 917885
Number of Months Recurring Service Provided in Funding Year: 12
Annual Pre-discount Amount for Eligible Recurring Charges: \$.00
Annual Pre-discount Amount for Eligible Non-recurring Charges: \$32,500.00
Pre-discount Amount: \$32,500.00
Discount Percentage Approved by the USAC: 74%
Funding Commitment Decision: \$0.00 - Srvc/Discnt will NOT be funded
Funding Commitment Decision Explanation: MR1: The shared discount was reduced to a level that could be validated by third party data. <><><><><> DRI: Given Program demand, the funding cap will not provide for Internal Connections and/or Basic Maintenance of Internal Connections at your approved discount level to be funded. Please see <http://www.universalservice.org/sl/> for further details.

ECDL Date: 01/16/2008
Wave Number: 034
Last Allowable Date for Delivery and Installation for Non-Recurring Services: 09/30/2008

USAC

Schools and Libraries Division
Correspondence Unit
100 South Jefferson Road
P.O. Box 902
Whippany, NJ 07981

TIME SENSITIVE MATERIAL

00079
John Holcombe
FLORESVILLE INDEP SCHOOL DIST
908 10TH ST
FLORESVILLE, TX 78114-1852





Floresville Independent School District

Technology Department

Melissa Ramos Technology Director
908 10th Street

John Holcombe Network Administrator
AC 830-393-5300

James Urbanczyk System Administrator
Floresville, Texas 78114

Date: February 18, 2008

Letter of Appeal
Schools and Libraries Division – Correspondence Unit
100 South Jefferson Road
P.O. Box 902
Whippany, New Jersey 07981
Fax: (973) 599-6542

Dear Sir or Madam:

We are appealing the USAC decision to reduce our discount percentage based on the Urban / Rural status of the Floresville High School, as mentioned on a funding commitment decision letter for Funding Year 2007.

- Appellant name: Floresville Independent School District
- Applicant BEN: 141508
- Service Provider SPIN: 143024939
- Form 471 Application Number: 584274 (FY 7/1/07 – 6/30/08)
- Funding Request Numbers: 1620018, 1620143, 1620217, 1620367, 1620441, 1620503, 1620554, 1620641, 1620759, 1620842, 1620885, 1620933, 1620978, 1621075, 1621096, 1621468

The exact text of the decision we are appealing for FRN 1620018, 1620143, 1620217, 1620367, 1620441, 1620503, 1620554, 1620641, 1620759, 1620842, 1620885, 1620933, 1620978, 1621075, 1621096, and 1621468 is "The shared discount was reduced to a level that could be validated by third party data. Given Program demand, the funding cap will not provide for Internal Connections and/or Basic Maintenance of Internal Connections at your approved discount level to be funded."

We are requesting that you review the urban / rural status of Floresville High School and change the status of Floresville High School from Urban to Rural. We also request that you change the site specific discount for Floresville High School from 60% to 70%, and as a result adjust the Floresville ISD shared discount from 74% to 77%.

Neighboring counties, such as Atascosa, have higher populations and are more "urban" than Wilson County, yet these counties are classified by e-Rate as "Rural". Portions of Bexar County are even classified as Rural, and Bexar County has a much higher population than Wilson County. Please see <http://www.universalservice.org/sl/applicants/step05/urban-rural/msa/texas.asp>. While Atascosa County is listed as rural on the USAC web page, Wilson County is not.

The 2006 census defined population of Wilson County is 38,892.

http://factfinder.census.gov/servlet/SAFFPopulation?_event=Search&_name=wilson+county&_state=04000US48&_county=wilson+county&_cityTown=wilson+county&_zip=&_sse=on&_lang=en&pctxt=fph

The 2006 census defined population of Atascosa County is 43,876.

http://factfinder.census.gov/servlet/SAFFPopulation?_event=Search&_name=atascosa&_state=04000US48&_county=atascosa&_cityTown=atascosa&_zip=&_sse=on&_lang=en&pctxt=fph

The 2006 census defined population of Bexar County is 1,555,492.

http://factfinder.census.gov/servlet/SAFFPopulation?_event=Search&_name=bexar+county&_state=04000US48&_county=bexar+county&_cityTown=bexar+county&_zip=&_sse=on&_lang=en&pctxt=fph

Additionally, the National Center for Education Statistics shows Floresville ISD (District # 4819350) as being Rural: Fringe (41). You can access this information at:

http://nces.ed.gov/ccd/districtsearch/district_detail.asp?Search=2&details=1&DistrictID=4819350&ID2=4819350.

Additionally, the NCES classifies our Middle School and Elementary School as Rural. They classify our High School, Primary, JJAEP, Early Childhood, Alternative, and CHOICES schools as Towns. They do not classify any of our schools as being in a city or even a suburb.

A town or rural area is much lower than an urban rating in NCES classifications. To clarify, NCES classifications are as follows:

- | | |
|----------------------|--|
| 11 - City, Large | Territory inside an urbanized area and inside a principal city with population of 250,000 or more. |
| 12 - City, Midsize | Territory inside an urbanized area and inside a principal city with population less than 250,000 and greater than or equal to 100,000. |
| 13 - City, Small | Territory inside an urbanized area and inside a principal city with population less than 100,000. |
| 21 - Suburb, Large | Territory outside a principal city and inside an urbanized area with population of 250,000 or more. |
| 22 - Suburb, Midsize | Territory outside a principal city and inside an urbanized area with population less than 250,000 and greater than or equal to 100,000. |
| 23 - Suburb, Small | Territory outside a principal city and inside an urbanized area with population less than 100,000. |
| 31 - Town, Fringe | Territory inside an urban cluster that is less than or equal to 10 miles from an urbanized area. |
| 32 - Town, Distant | Territory inside an urban cluster that is more than 10 miles and less than or equal to 35 miles from an urbanized area. |
| 33 - Town, Remote | Territory inside an urban cluster that is more than 35 miles from an urbanized area. |
| 41 - Rural, Fringe | Census-defined rural territory that is less than or equal to 5 miles from an urbanized area, as well as rural territory that is less than or equal to 2.5 miles from an urban cluster. |
| 42 - Rural, | Census-defined rural territory that is more than 5 miles but less than or equal to 25 miles |

Distant from an urbanized area, as well as rural territory that is more than 2.5 miles but less than or equal to 10 miles from an urban cluster.

43 - Rural, Census-defined rural territory that is more than 25 miles from an urbanized area and is also Remote more than 10 miles from an urban cluster.

Attached you will find a Google Earth satellite image of Floresville (Floresville.jpg). This image shows the actual size of Floresville. As you can see based on the map, Floresville does not appear to be very "urban".

For additional perspective, Floresville has no DSL service and no Cable TV service. Currently, the only way to get reliable high speed internet is via expensive T-1 lines (which are old fashioned and much more expensive when compared to newer technologies, such as metro Ethernet, DSL, and Cable Modem).

All Floresville ISD campuses are located within the Floresville City Limits (see the attached map SchoolLocations.pdf). Floresville High School is less than a mile away from the Floresville Middle School, which is considered rural.

Therefore, we request that Floresville High School also be classified as "Rural".

Please contact us with any questions you have:

Contact Information:

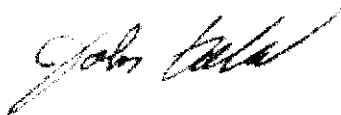
John Holcombe
Tel: 830-393-5300 xt 2002
eMail: jholcombe@fisd.us
Fax: 830-393-5765

Alternate Contact:

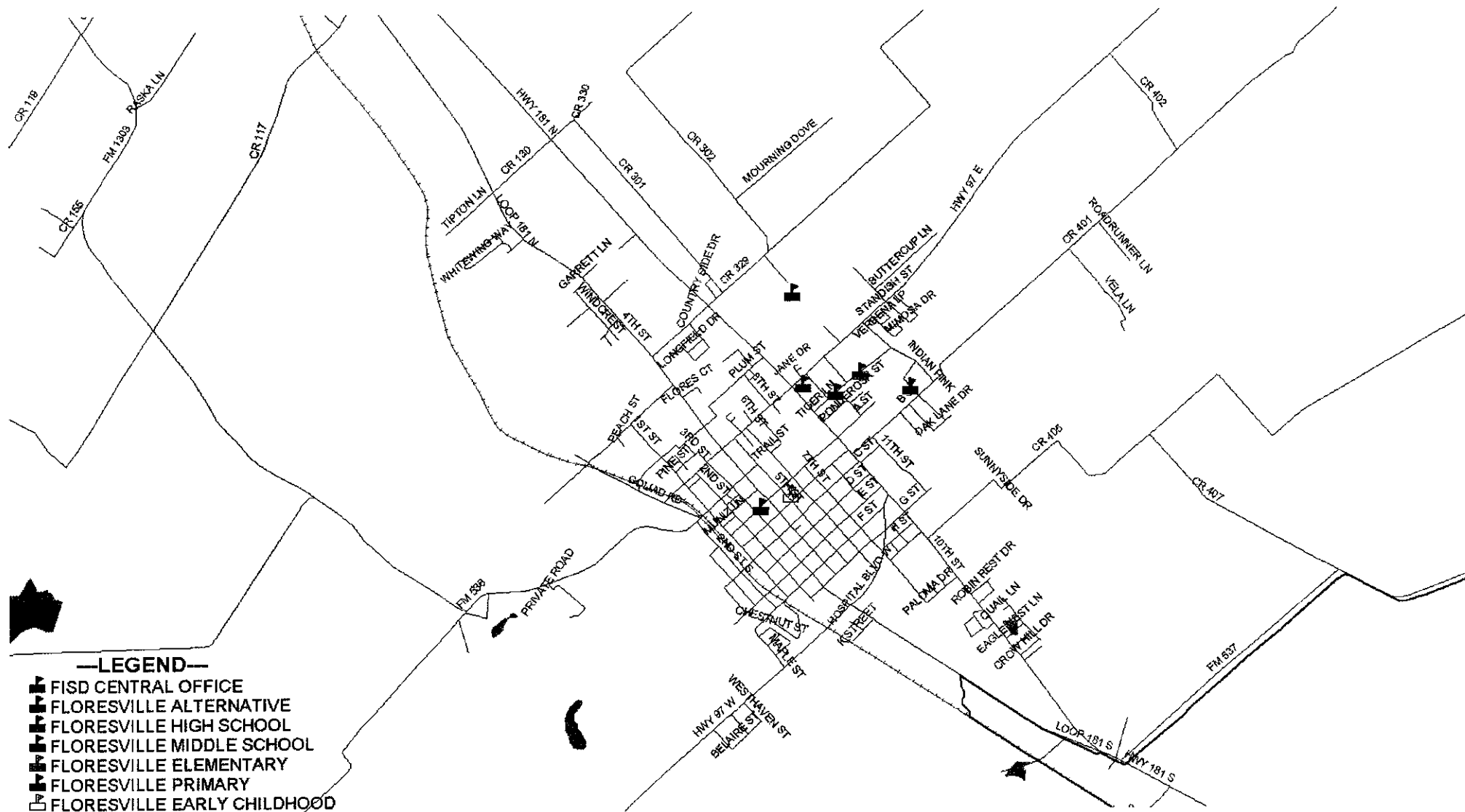
Melissa Ramos
Tel: 830-393-5300 xt 2001
eMail: mrmos@fisd.us
Fax: 830-393-5765

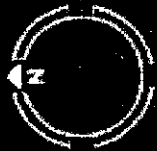
Thank you for considering our request.

Sincerely,



John Holcombe
Network Administrator
Floresville ISD



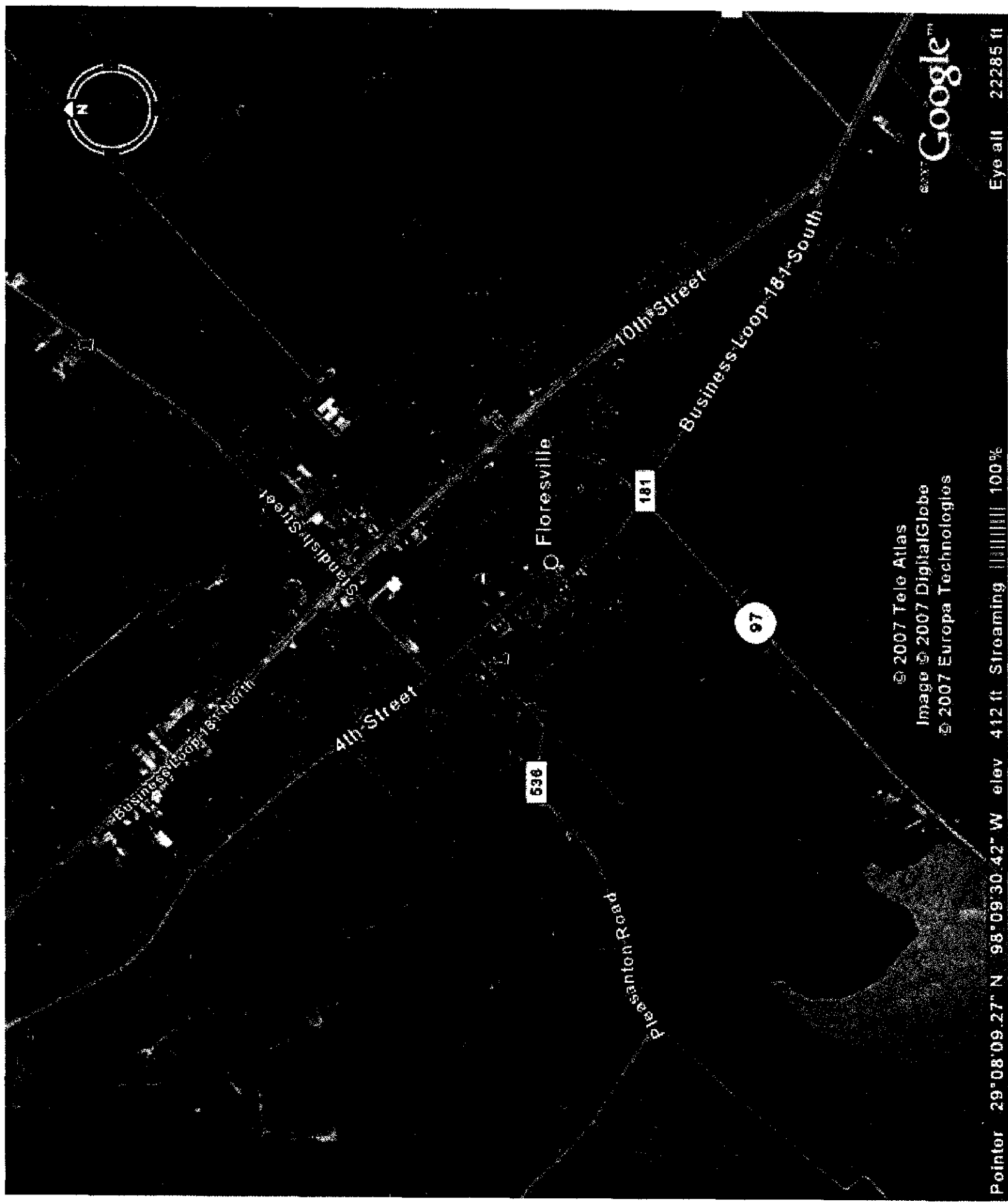


Google™

Eye alt 22285 ft

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Pointer 29°08'09.27" N 98°09'30.42" W elev 412 ft Streaming ||||| 100%





Universal Service Administrative Company
Schools & Libraries Division

Administrator's Decision on Appeal – Funding Year 2007-2008

March 06, 2008

John Holcombe
Floresville Independent School District
908 10th Street
Floresville, TX 78114

Re: Applicant Name: FLORESVILLE INDEP SCHOOL DIST
Billed Entity Number: 141508
Form 471 Application Number: 584274
Funding Request Number(s): 1620018, 1620143, 1620217, 1620367, 1620441,
1620503, 1620554, 1620641, 1620759, 1620842,
1620885, 1620933, 1620978, 1621075, 1621096,
1621468

Your Correspondence Dated: February 18, 2008

After thorough review and investigation of all relevant facts, the Schools and Libraries Division (SLD) of the Universal Service Administrative Company (USAC) has made its decision in regard to your appeal of USAC's Funding Year 2007 Funding Commitment Decision Letter for the Application Number indicated above. This letter explains the basis of USAC's decision. The date of this letter begins the 60 day time period for appealing this decision to the Federal Communications Commission (FCC). If your Letter of Appeal included more than one Application Number, please note that you will receive a separate letter for each application.

Funding Request Number(s): 1620018, 1620143, 1620217, 1620367, 1620441,
1620503, 1620554, 1620641, 1620759, 1620842,
1620885, 1620933, 1620978, 1621075, 1621096,
1621468

Decision on Appeal: **Denied**

Explanation:

- During the Appeal Review USAC thoroughly assessed the facts presented in the appeal letter, the relevant documentation on file, and the FCC Rules and Procedures before making its determination on your appeal. The record shows that Floresville Independent School District requested a shared discount of 77%. Every school or library in the United States is located in either a rural or an urban area, based on Metropolitan Statistical Area (MSA) data. The record

demonstrates that Floresville High School, BEN 90474, is located in Wilson County in the State of Texas. The entire County is considered Urban as per USAC. Therefore, based on the record Floresville High School is eligible for a 60% discount rate. USAC correctly lowered Floresville High School to 60% and Floresville Independent School District shared discount to 74%. On appeal, Floresville Independent School District has failed to provide any evidence that USAC has erred in its initial decision. Consequently, the appeal is denied. For guidance regarding Rural or Urban Classification please visit USAC website at <http://www.usac.org/sl/applicants/step05/urban%2Drural/>.

FCC rules provide that the discount available to an applicant is determined by indicators of poverty and high cost. See 47 C.F.R. sec. 54.505(b). The level of poverty is measured by the percentage of students enrolled in a school or school district who are eligible for a free or reduced price lunch under the National School Lunch Program (NSLP), or a federally-approved alternative mechanism. Alternatively, the level of poverty is measured according to participation in Medicaid, Food Stamps, Supplementary Security Income (SSI), Federal Public Housing Assistance or Section 8, or Low Income Home Energy Assistance Program (LIHEAP). See Federal-State Joint Board on Universal Service, CC Docket No. 96-45, Report and Order, 12 FCC Rcd 8776, 9045, FCC 97-157 para. 510 n. 1334 (rel. May 8, 1997). The high cost determination is made pursuant to FCC rules that classify a school or library as rural or urban. See 47 C.F.R. sec. 54.505(b)(3). An applicant's discount rate is determined by reference to a matrix based upon the level of poverty and whether the entity is classified as rural or urban. See 47 C.F.R. sec. 54.505(c).

If your appeal has been approved, but funding has been reduced or denied, you may appeal these decisions to either USAC or the FCC. For appeals that have been denied in full, partially approved, dismissed, or canceled, you may file an appeal with the FCC. You should refer to CC Docket No. 02-6 on the first page of your appeal to the FCC. Your appeal must be received or postmarked within 60 days of the date on this letter. Failure to meet this requirement will result in automatic dismissal of your appeal. If you are submitting your appeal via United States Postal Service, send to: FCC, Office of the Secretary, 445 12th Street SW, Washington, DC 20554. Further information and options for filing an appeal directly with the FCC can be found in the "Appeals Procedure" posted in the Reference Area of the SLD section of the USAC website or by contacting the Client Service Bureau. We strongly recommend that you use the electronic filing options.

We thank you for your continued support, patience and cooperation during the appeal process.

Schools and Libraries Division
Universal Service Administrative Company



The United States Access Consortium
Helping Keep Americans Connected

Schools & Libraries – Calculating Discount Levels

How are school discounts calculated?

The discount level for an individual school is based upon (1) the percentage of students eligible for free and reduced lunches under the National School Lunch Program (NSLP) and (2) whether the location of the school is urban or rural. The Discount Matrix (see link below) shows the appropriate discount level for the NSLP percentage of the school.

What about discounts for multiple schools or school districts?

If **all** the schools in a school district will share one or more services, the shared discount is calculated from the **weighted average** of the discounts of all individual schools. That is, the discount level of a school with more students is weighted more heavily in the calculation than the discount level of a school with fewer students. If some services will be shared by some schools in the district and not others, only the weighted average of the discounts of the schools actually receiving the service is calculated. In general, each set of entities receiving services requires a separate Block 4 worksheet of the Form 471 application. See the Form 471 instructions on the website link below.

What if the school does not participate in the NSLP?

A school can also use certain alternative methods to determine the level of poverty, as long as those methods are based on – and do not exceed – the same measure of poverty used by NSLP, which is 185% of the federal poverty guideline. These federally approved alternative methods can use data collected through surveys or from existing sources. Note that lunch applications are not considered surveys. See the references below for details.

Are discounts for libraries or library systems calculated differently?

A library branch or outlet uses the NSLP data for the public school district in which it is located. However, instead of using the school district's weighted average, the library outlet or branch calculates its NSLP percentage by dividing the total number of students in the school district by the total number eligible for NSLP. This may result in a different NSLP percentage than the weighted average calculated by the school district. Again, the discount level also depends upon whether the school is in a rural or an urban area.

A library system discount is calculated from the **simple average** of the discounts of the branches or outlets. See the Form 471 instructions on the website link below.

What about consortia of libraries and/or schools?

The discount for a consortium is calculated using the **simple average** of the discounts of all its members, whether they are individual schools, library outlets or branches, school districts, or library systems.

For additional information, please use the USAC resources listed below:

Discount Guidelines:	http://www.usac.org/sl/applicants/step05/
Discount Matrix:	http://www.usac.org/sl/applicants/step05/discount-matrix.aspx
Urban or Rural Determination:	http://www.usac.org/sl/applicants/step05/urban-rural/
Form 471 Instructions:	http://www.usac.org/sl/tools/required-forms.aspx
Library Consortia:	http://www.usac.org/sl/applicants/step05/library-consortium-faq.aspx
Alternative Discount Mechanisms:	http://www.usac.org/sl/applicants/step05/alternative-discount-mechanisms.aspx
Non-Instructional Facilities:	http://www.usac.org/sl/applicants/step05/non-instructional-facilities.aspx